



1000331



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 8

999 18TH STREET - SUITE 300

DENVER, CO 80202-2466

<http://www.epa.gov/region08>

Ref 8ENF-L

DEC - 4 2001

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Atlantic Richfield Company
333 South Hope Street
Los Angeles, California 90071
ATTN Legal Department

Noranda, Inc.
181 Bay Street, Suite 1400
P O Box 755, BCE Place
Toronto, Ontario, Canada M5J2T3

ASARCO Incorporated
c/o Don Robbins
3422 South 1700 West
Salt Lake City, Utah 84119

RE Richardson Flat Tailings Site
Park City, Utah

Dear Sir or Madam:

Pursuant to the authority contained in Section 104 of the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), 42 U S C. §9604, the United States Environmental Protection Agency (EPA) determined that there was a release or substantial threat of a release of a hazardous substance (as defined by §101(14) of CERCLA) from a facility known as the Richardson Flat Tailings site, located approximately three and one-half miles northeast of Park City, Utah. EPA undertook response actions pursuant to Section 104 of CERCLA, 42 U S.C. §9604, including assessment of the site and activities to determine the nature and extent of contamination.

EPA previously provided notice to your companies that they were parties who may be liable for money expended by EPA to take response action at the site. EPA offered your companies the opportunity to voluntarily take the action necessary to abate any releases or threats



Printed on Recycled Paper

of release of hazardous substances from the site or to reimburse EPA for actions taken. Because your companies did not undertake the necessary actions, EPA expended funds provided under the authority of CERCLA to perform the necessary work.

The cost as of September 30, 2001, of the response actions related to the site through EPA funding is approximately \$ 562,231. Enclosed are itemized cost summaries documenting these costs. This statement of expenditure is preliminary and does not limit EPA from providing a revised figure if additional costs are identified.

In accordance with §107(a) of CERCLA, demand is hereby made for payment of the above amount plus any and all interest recoverable under §107 or any other provisions of law.

EPA anticipates that additional funds may be expended on the site. Whether EPA funds the entire response action or simply incurs costs by overseeing the parties' conduct of the response activities, your companies are potentially liable for the expenditures plus interest.

Interest on past costs incurred shall accrue from the date of this demand for payment or any earlier demand, whichever is earlier; interest on future costs shall accrue from the date of expenditure, pursuant to CERCLA §107(a). Interest rates are variable. The rate applicable on any unpaid amounts for any fiscal year is the same as is specified for interest on investments of the Hazardous Substance Superfund which is determined by the Department of the Treasury. The current annual rate of interest on unpaid costs is 3.53%.

EPA is not required by CERCLA to issue a written demand for recovery of prejudgment interest. However, the date a written demand is made may be used by a court in determining that date from which prejudgment interest begins to accrue.

United Park City Mine is also receiving a letter seeking reimbursement of the costs identified herein. While your liability is joint and several, you and other parties may allocate among yourselves the costs to be paid to EPA. Enclosed is a draft Agreement for Recovery of Past Response Costs that may be used to document an agreement among all the parties.

Remittance must be made payable to the U.S. EPA Hazardous Substance Superfund, established pursuant to CERCLA in Title 26, Chapter 98 of the Internal Revenue Code, and must reference the Richardson Flat site. Please send your remittance to:

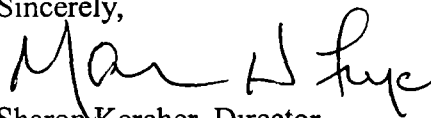
Regular mail:
Mellon Bank
EPA Region VIII
Attn: Superfund Accounting
Post Office Box 360859
Pittsburgh, Pennsylvania 15251-6859

Express Mail:
EPA 360859
Mellon Client Service Center, Room 670
500 Ross Street
Pittsburgh, Pennsylvania 15262-0001

If you desire to discuss your liability with EPA, please contact Andrea Madigan, Enforcement Attorney, in writing at US EPA Region 8, Office of Enforcement, 999 18th Street, Suite 300, Denver, Colorado 80202, not later than thirty (30) day after the date of this letter Ms Madigan may be contacted by telephone at 303-312-6904

If you fail to respond to this demand within thirty (30) days, EPA will conclude that you refuse to reimburse the Hazardous Substance Superfund for site expenditures. Consequently, EPA may pursue civil litigation against you pursuant to CERCLA §§ 106(a) and 107(a), 42 U S C §§9606(a) and 9607(a)

Sincerely,

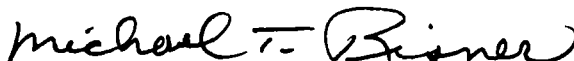


Sharon Kercher, Director



Technical Enforcement Program

Office of Enforcement, Compliance and Environmental
Justice



Michael T. Risner, Director

Legal Enforcement Program

Office of Enforcement, Compliance and Environmental
Justice

Enclosures

cc Richard Curley, Esq
Michael Thorp, Esq.